

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

PURDUE PHARMA L.P., *et al.*,

Debtors.¹

Chapter 11

Case No. 19-23649

(Jointly Administered)

**SECOND CONSOLIDATED MONTHLY FEE STATEMENT OF GRANT THORNTON
LLP FOR: (I) ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES INCURRED FOR RETENTION AS TAX CONSULTANTS TO DEBTORS
FOR THE PERIOD JULY 1, 2021 TO JULY 31, 2021; AND (II) PAYMENT OF
INVOICE FOR SERVICES PERFORMED IN THE ORDINARY COURSE OF
DEBTORS' BUSINESS FROM APRIL 1, 2021 TO JUNE 30, 2021**

Name of Applicant: Grant Thornton LLP (“Grant Thornton”)

Authorized to Provide Professional Services
to: Debtors

Date of Retention: April 28, 2021 (*nunc pro tunc* to January 20,
2021) for Tax Consulting Services in connection
with the Plan (the “**Plan-Related Services**”)

Consolidated Period for Which Compensation
and Reimbursement is Sought (“Fee Period”): July 1, 2021 through July 31, 2021 for the Plan-
Related Services, and April 1, 2021 through June
30, 2021 for tax services provided to the Debtors
in the ordinary course of business (the “**OCB
Tax Services**”)²

Amount of Compensation Sought as Actual,
Reasonable and Necessary for Plan-Related
Services: \$9,643.00

¹ The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P., Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

² Because of certain lag times between tax compliance dates, tax filing dates and invoice billing dates, some of the OCB Tax Services identified herein may have been processed prior to the April 1st to June 30, 2021 period.

Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary for Plan-Related Services: \$3,877.50

Amount of Compensation Sought as Actual, Reasonable and Necessary for OCB Tax Services: \$18,361.85

Total Compensation (80%) and Expenses (100%) for Plan-Related Services, Plus Total Compensation (100%) for OCB Tax Services Requested in this Second Consolidated Fee Statement : \$29,953.75

Introduction

Pursuant to sections 327, 330 and 331 of chapter 11 of title 11 of the United States Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, Rule 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York, the *Order Authorizing the Retention and Employment of Grant Thornton LLP as Tax Restructuring Consultants for the Debtors Nunc Pro Tunc to January 20, 2021* [Docket No. 2760] (the “**Retention Order**”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals, dated November 21, 2019* [Docket No. 529] (the “**Interim Compensation Order**”), Grant Thornton submits this *Second Consolidated Monthly Fee Statement of Grant Thornton LLP for: (I) Allowance of Compensation and Reimbursement of Expenses Incurred for Retention as Tax Consultants to Debtors for the Period July 1, 2021 to July 31, 2021; and (II) Payment of Invoice for Services Rendered in the Ordinary Course of Debtors’ Business from April 1, 2021 to June 30, 2021* (this “**Second Consolidated Fee Statement**”).

Summary of Services Provided by Grant Thornton and Its Retention

1. Prior to September 15, 2019 (the “**Petition Date**”), the Debtors engaged Grant Thornton to provide tax-related services pursuant to the terms and conditions of that certain master agreement, dated June 1, 2018 (the “**MSA**”), and other related statements of work executed in connection therewith.

2. As previously disclosed in the Retention Order, the Debtors retained Grant Thornton after the Petition Date to continue to provide certain tax-related services to assist the Debtors in the ordinary course of their business operations (the “**OCB Tax Services**”), which work consisted of the following services:

- a. Sales and Use Tax Compliance Services: On August 11, 2020, the Debtors and Grant Thornton entered into that certain *Statement of Work for Sales and Use Tax Return Preparation Services*, pursuant to which Grant Thornton was retained to assist the Debtors with the generation of sales, use and other transactional tax returns by providing tax return compliance services. That August 11, 2020 statement of work was subsequently replaced and superseded by that certain *Statement of Work for Sales and Use Tax Return Preparation Services*, dated March 2, 2021.
- b. 2020 Tax Preparation Services: On December 7, 2020, the Debtors and Grant Thornton entered into that certain *Statement of Work for Tax Compliance Services*, pursuant to which Grant Thornton was retained to prepare the Debtors’ federal and state tax returns, including extension calculations and estimated tax payments, for the 2020 taxable year.

3. Because the OCB Tax Services were being provided in the ordinary course of the Debtors' business and were unrelated to the administration of the bankruptcy cases, Grant Thornton understood that it was not necessary for it to be retained in these bankruptcy cases and that payment on account of such OCB Tax Services would be paid consistent with past practices and in the ordinary course of the Debtors' ongoing business operations.

4. As of the date hereof, Grant Thornton has been paid an aggregate of \$201,948.90 in the ordinary course of business consistent with the Debtors' business practices on account of the OCB Tax Services, consisting of \$47,768.90 on account of the sales and use tax compliance services and \$154,180.00 for the 2020 tax preparation services. These OCB Tax Services, including the billing and payment requirements have not been subject to the Interim Compensation Order or other fee procedures applicable to other professionals retained in these bankruptcy cases.

5. In January 2021, the Debtors requested that Grant Thornton provide additional tax structuring services that directly related to the development of the Debtors' chapter 11 plan of reorganization in these bankruptcy cases (the "**Plan**"). As a result of this requested expansion in the scope of work being provided, on or about January 20, 2021, Grant Thornton and the Debtors entered into that certain *Statement of Work for Tax Structuring Services* (the "**Plan-Related SOW**").

6. On April 13, 2021, the Debtors filed the *Application of Debtors for Authority to Retain and Employ Grant Thornton LLP as Tax Structuring Consultants to the Debtors Nunc Pro Tunc to January 20, 2021* [ECF No. 2636] (the "**Retention Application**"), and the Court entered the Retention Order on April 28, 2021.

7. Pursuant to the Retention Order, compensation and reimbursement for the services provided under the Plan-Related SOW (the "**Plan-Related Services**") is subject to, and must be

in compliance with, the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of the Court for allowance of monthly, interim and final fee applications.

Summary of Requested Compensation for the Fee Period

8. By this Second Consolidated Fee Statement, Grant Thornton seeks compensation and reimbursement of expenses in the total amount of \$29,953.75, which is composed of:

- a. Compensation and Reimbursement for Plan-Related Services: Compensation and reimbursement of expenses in the total amount of \$11,591.90 on account of: (i) compensation in the amount of \$7,714.40, representing 80% of the total amount of reasonable compensation for actual, necessary Plan-Related Services that Grant Thornton incurred during the Fee Period in the amount of \$9,643.00; plus (ii) reimbursement in the amount of \$3,877.50, representing 100% of the total amount of actual, reasonable and necessary expenses incurred by Grant Thornton during the Fee Period.
- b. Compensation for OCB Tax Services: Compensation in the total amount of \$18,361.85, representing 100% of the total amount of reasonable compensation for actual, necessary OCB Tax Services that Grant Thornton incurred covering the period April 1, 2021 through June 30, 2021. Because of Grant Thornton's retention in these bankruptcy cases by order entered April 28, 2021, out of an abundance of caution and for purposes of full disclosure, Grant Thornton is including in this Second Consolidated Fee Statement the outstanding amount owed in the ordinary course of business for which payment has not yet been made relating to the OCB Tax Services.

Itemization of Services Rendered and Disbursements Incurred

9. Attached hereto as **Exhibit A** is a chart of the number of hours expended and fees incurred (on an aggregate basis) by Grant Thornton consultants during the Fee Period with respect to each project category billed to the Plan-Related Services. As reflected in **Exhibit A**, Grant Thornton consultants billed a total of 16.3 hours and incurred \$9,643.00 in fees during the Fee Period in connection with the Plan-Related Services. Pursuant to this Second Amended Fee Statement, Grant Thornton seeks reimbursement for 80% of such fees, totaling \$7,714.40.

10. Attached hereto as **Exhibit B** is a chart of Grant Thornton consultants that billed time to the Plan-Related SOW, including the standard hourly rate for each consultant who rendered Plan-Related Services to the Debtors in connection with these chapter 11 cases during the Fee Period, and the title, hourly rate, aggregate hours worked and the amount of fees earned by each consultant. The blended hourly billing rate of consultants for all Plan-Related Services provided during the Fee Period is \$591.60.

11. Attached hereto as **Exhibit C** is a chart of necessary and out-of-pocket expenses incurred by Grant Thornton in the amount of \$3,877.50 in connection with providing professional services during the Fee Period and seeking compensation for such services in these bankruptcy cases. In connection with Grant Thornton's retention in these bankruptcy cases, at the Debtors' request, Grant Thornton utilized its own outside bankruptcy counsel to assist Grant Thornton with its retention and fee approval procedures. Pursuant to the Retention Order:

"Grant Thornton's reimbursable expenses may include the reasonable and necessary actual, documented out-of-pocket costs, fees, disbursements, and other charges of Grant Thornton's external legal counsel (without the need for such legal counsel to be retained as a professional in the chapter 11 cases); provided, that, if Grant Thornton seeks reimbursement from the Debtors for attorneys' fees and expenses pursuant to the Engagement Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in Grant Thornton's own applications, both interim and final, and these invoices and time records shall be subject to the approval of the [sic] Court

pursuant to sections 330 and 331 of the Bankruptcy Code, but without regard to whether such attorneys have been retained under section 327 of the Bankruptcy Code, and without regard to whether such attorneys' services satisfy section 330(a)(3)(C) of the Bankruptcy Code."

Retention Order, ¶ 4. In accordance with the Retention Order, **Exhibit C** includes the invoices and supporting time records for Grant Thornton's outside legal counsel that constitute the reasonable and necessary actual, documented out-of-pocket costs, fees, disbursements, and other charges incurred by Grant Thornton in connection with utilizing such external legal counsel.

12. Attached hereto as **Exhibits D1** and **D2** are the time records of Grant Thornton for the Fee Period organized by month and project category with a daily time log describing the time spent by each consultant during the applicable Fee Period in connection with the Plan-Related Services.

13. Attached as **Exhibit E** is the invoice for the total amount of reasonable compensation for actual, necessary OCB Tax Services that Grant Thornton incurred covering the period April 1, 2021 through June 30, 2021. In light of Grant Thornton's retention in these bankruptcy cases by order entered April 28, 2021, out of an abundance of caution and for purposes of full disclosure, Grant Thornton is including this disclosure of outstanding amounts owed in the ordinary course of business for which payment has not yet been received relating to the OCB Tax Services.

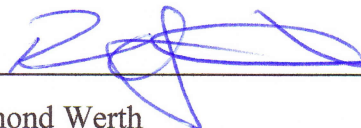
Notice

14. The Debtors will provide notice of this Second Consolidated Fee Statement in accordance with the Interim Compensation Order. Grant Thornton submits that no other or further notice be given.

WHEREFORE, Grant Thornton, in connection with services rendered on behalf of the Debtors, respectfully requests compensation in the aggregate amount of \$29,953.75, composed of: (i) \$7,714.40, which is equal to 80% of the total amount of reasonable compensation for actual, necessary consulting services that Grant Thornton incurred during the Fee Period (*i.e.*, \$9,643.00) on account of the Plan-Related Services; plus (ii) 100% of the actual, reasonable and necessary expenses for which Grant Thornton seeks reimbursement in the amount of \$3,877.50; plus (iii) 100% of the total amount of reasonable compensation in the amount of \$18,361.85 for actual, necessary OCB Tax Services that Grant Thornton incurred during the Fee Period.

September 7, 2021
New York, NY

GRANT THORNTON LLP



Raymond Werth
Partner, Grant Thornton LLP
757 Third Ave., 9th Floor
New York, NY 10017
Telephone: (212) 599-0100

EXHIBIT A

**SUMMARY OF PLAN-RELATED SERVICES BY CATEGORY
(July 1, 2021 through July 31, 2021)**

Time Category	Category Descriptions	Exhibit	Total Billed Hours	Total Fees Incurred
Exit Structure Analysis	This category includes activities associated with assessing income tax consequences of potential plan structure including liquidation of potential entities, maintaining employer identification numbers, etc.	D1	11.8	\$6,718.00
Engagement Management	This category includes activities associated with preparing engagement and related compensation documents and information necessary for filing with the bankruptcy court.	D2	4.5	\$2,925.00
Total			16.3	\$9,643.00

EXHIBIT B

SUMMARY OF PLAN-RELATED SERVICES BY PROFESSIONAL

LAST NAME	FIRST NAME	TITLE	TOTAL BILLED HOURS	HOURLY BILLING RATE	TOTAL COMPENSATION
Alex	Harrison	Associate	2.9	\$280.00	\$812.00
Angstadt	Brian	Senior Manager	10.5	\$650.00	\$6,825.00
Arazi	Albert	Senior Manager	.5	\$650.00	\$325.00
Coyne	Thomas	Senior Manager	.5	\$650.00	\$325.00
Dodson	Jeffrey	Manager	.5	\$570.00	\$285.00
McKnight	Thomas	Managing Director	.9	\$765.00	\$688.50
Mong	Keith	Managing Director	.5	\$765.00	\$382.50
TOTAL			16.3		\$9,643.00

EXHIBIT C

SUMMARY OF OUT OF POCKET EXPENSES AND SUPPORTING INVOICES

<u>Category</u>	<u>Amount</u>
External Legal Counsel (See Attached Supporting Invoice)	\$3,877.50



Sklar Kirsh, LLP
1880 Century Park East, Suite 300
Los Angeles, CA 90067
(310) 845-6416 MAIN
accounting@sklarkirsh.com
Tax I.D. 37-1711630

Grant Thornton, LLP
Attn: Chris Stathopoulos
171 N. Clark Street, Suite 200
Chicago, IL 60601
chris.stathopoulos@us.gt.com; Liz.Piechnik@us.gt.com

August 17, 2021

Invoice #43683

Due Upon Receipt

For Professional Services Rendered Through July 31, 2021

Matter: Purdue Pharma - Legal Services

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/12/2021	KKF	Telephone conference with B. Angstadt re: fee application and exchanged emails with I. Landsberg re: same.	0.20	\$575.00	\$115.00
07/13/2021	KKF	Reviewed information from B. Angstadt re: bills (0.2). Telephone conference with J. Anderson re: timing and strategy for filing fee statements (0.1). Telephone conference with B. Angstadt re: same (0.3). Exchanged emails with C. Robertson re: filing procedures for fee apps in Purdue case (0.1).	0.70	\$575.00	\$402.50
07/14/2021	KKF	Researched interim and monthly fee requirements for case (1.0). Telephone conference with J. Anderson re: timing and requirements for submitting monthly and interim applications (0.1). Telephone conference with B. Angstadt re: strategy for bills and filing fee applications (0.2). Reviewed information from B. Angstadt in support of monthly fee application (0.6). Drafted email to B. Angstadt with comments and additional information requests for fee statement (0.4).	2.30	\$575.00	\$1,322.50
07/21/2021	KKF	Drafted first consolidated monthly fee statement (1.6). Drafted email to B. Angstadt re: missing information to complete fee statement (0.2).	1.80	\$575.00	\$1,035.00
07/23/2021	KKF	Finalized first monthly fee statement for filing (0.2). Drafted email to B. Angstadt re: requirements for final review and signature for filing fee statement (0.2). Exchanged emails with M. Giddens re: review of fee statement by debtor and coordination for filing and serving same (0.2).	0.60	\$575.00	\$345.00
07/27/2021	KKF	Telephone conference with M. Giddens re: first monthly fee statement requirements and timing (0.2). Exchanged emails with T. Nobis re: electronic format requirements for the fee examiner (0.2). Exchanged emails with P. Schwartzberg re: same (0.2).	0.60	\$575.00	\$345.00
07/28/2021	KKF	Telephone conference with S. Blasco re: conversion of excel billing information to LEDES files (0.1). Drafted emails to T. Nobis and P. Schwartzberg re: electronic LEDES files (0.2).	0.30	\$575.00	\$172.50
	SRB	Correspondence and calls with K. Frazier and J. Iheonu re: LEDES file.	0.80	\$175.00	\$140.00

Grant Thornton LLP
August 17, 2021
Invoice # 43683

For professional services rendered	7.3 hrs	\$3,877.50
SUBTOTAL		\$3,877.50
Total amount of this bill		\$3,877.50
Previous balance		\$767.50
Total Payments and Adjustments		\$0.00
Balance due upon receipt		\$4,645.00

Timekeeper Summary

Name	Initials	Title	Hours	Rate	Amount
Kelly K. Frazier	KKF	Of Counsel	6.50	\$575.00	\$3,737.50
Sarah R. Blasco	SRB	Paralegal	0.80	\$175.00	\$140.00

It is a pleasure working with you. We appreciate your business.

EXHIBIT D1

**DETAILED TIME ENTRIES FOR PLAN-RELATED SERVICES
(Project Category: Exit Structure Analysis)**

Employee Name	Title	Date of Service	Project Category	Hours Charged	Hourly Rate	Final Narrative
Angstadt, Brian	Senior Manager	7/1/2021	Exit Structure Analysis	1.00	\$650.00	Analyze exit structure - Research EIN
Alex, Harrison	Associate	7/6/2021	Exit Structure Analysis	0.50	\$280.00	Internal Discussion w/ T. Coyne, J. Dodson, T. McKnight, B. Angstadt on EIN preservation
Alex, Harrison	Associate	7/6/2021	Exit Structure Analysis	2.20	\$280.00	Exit Structure Analysis - review tax returns, historic documents, etc.
Angstadt, Brian	Senior Manager	7/6/2021	Exit Structure Analysis	0.50	\$650.00	Internal Discussion w/ T. Coyne, J. Dodson, T. McKnight, H. Alex on EIN preservation
Coyne, Thomas Peter	Senior Manager	7/6/2021	Exit Structure Analysis	0.50	\$650.00	Internal Discussion w/ J. Dodson, T. McKnight, B. Angstadt, H. Alex on EIN preservation
Dodson, Jeffrey C	Manager	7/6/2021	Exit Structure Analysis	0.50	\$570.00	Internal Discussion w/ T. Coyne, T. McKnight, B. Angstadt, H. Alex on EIN preservation
McKnight, Thomas Wade	Managing Director	7/6/2021	Exit Structure Analysis	0.60	\$765.00	Internal Discussion w/ T. Coyne, J. Dodson, B. Angstadt, H. Alex on EIN preservation
Alex, Harrison	Associate	7/7/2021	Exit Structure Analysis	0.20	\$280.00	Internal Discussion w/ B. Angstadt on historic items
Angstadt, Brian	Senior Manager	7/7/2021	Exit Structure Analysis	0.20	\$650.00	Internal Discussion w/ H. Alex on historic items
Angstadt, Brian	Senior Manager	7/7/2021	Exit Structure Analysis	1.30	\$650.00	Exit Structure Analysis - review tax returns, historic documents, etc.
Angstadt, Brian	Senior Manager	7/8/2021	Exit Structure Analysis	1.00	\$650.00	Exit Structure Analysis - reviewing EIN analysis
Angstadt, Brian	Senior Manager	7/9/2021	Exit Structure Analysis	1.00	\$650.00	Exit Structure Analysis - reviewing EIN analysis
McKnight, Thomas Wade	Managing Director	7/9/2021	Exit Structure Analysis	0.30	\$765.00	Exit Structure Analysis - reviewing EIN analysis

Angstadt, Brian	Senior Manager	7/23/2021	Exit Structure Analysis	0.50	\$650.00	Exit Structure Analysis - Review attorney question and follow up on Payroll taxes
Angstadt, Brian	Senior Manager	7/27/2021	Exit Structure Analysis	0.50	\$650.00	Internal Discussion w/ K. Mong and A. Arazi on payroll taxes
Arazi, Albert	Senior Manager	7/27/2021	Exit Structure Analysis	0.50	\$650.00	Internal Discussion w/ B. Angstadt and K. Mong on payroll taxes
Mong, Keith A.	Managing Director	7/27/2021	Exit Structure Analysis	0.50	\$765.00	Internal Discussion w/ B. Angstadt and A. Arazi on payroll taxes
TOTAL HOURS				11.8		

EXHIBIT D2

**DETAILED TIME ENTRIES FOR PLAN-RELATED SERVICES
(Project Category: Engagement Management)**

Employee Name	Title	Date of Service	Project Category	Hours Charged	Hourly Rate	Final Narrative
Angstadt, Brian	Senior Manager	7/12/2021	Engagement Management	3.00	\$650.00	Engagement - Fee applications and billing - Analyzing time and preparing Exhibits
Angstadt, Brian	Senior Manager	7/20/2021	Engagement Management	1.00	\$650.00	Engagement - Fee applications and billing - Analyzing time and preparing Exhibits
Angstadt, Brian	Senior Manager	7/22/2021	Engagement Management	0.50	\$650.00	Engagement - Fee applications and billing - Analyzing time and preparing Exhibits
TOTAL HOURS				4.5		

EXHIBIT E

INVOICE FOR OCB TAX SERVICES



Grant Thornton LLP
186 Wood Ave S # 4
Iselin, NJ 08830-2725

T 732.516.5500
F 732.516.5502
www.GrantThornton.com

This address should be used for correspondence only
For all payments, kindly use remittance instructions below

To: Purdue Pharma L.P.
Attn: Dee Cabral
201 Tresser Boulevard
Stamford, CT 06901-3431

Date: June 18, 2021

Bill Number: 953806521

Client-Assignment Code: 0200102-00002

Client-Assignment Code: 0200102-00003

Sales & Use Tax Compliance & Invoice Review

March 2021 Compliance processed in April 2021:	\$ 2,220.00
April 2021 Compliance processed in May 2021:	1,820.00
May 2021 Compliance processed in June 2021:	<u>1,820.00</u>
COMPLIANCE SUBTOTAL:	5,860.00
Review of February's Invoices (60 transactions) filed with March's returns due in April 2021 (filed on a one-month lag. This included our first semi-annual vendor analysis):	4,430.00
Review of March's Invoices (60 transactions) filed with April's returns due in May 2021 (filed on a one-month lag):	3,275.00
Review of April's Invoices (60 transactions) filed with May's returns due in June 2021 (filed on a one-month lag):	<u>3,757.50</u>
INVOICE REVIEW SUBTOTAL:	11,462.50
SUBTOTAL:	17,322.50
Admin Fees (6%):	1,039.35

Total Amount of Bill: \$ 18,361.85